

Message Text

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PAGE 01 BRASIL 05848 262054Z
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SUBJECT: EXIM BANK FREIGHT FINANCING - JORNAL DO BRASIL ARTICLE
JULY 23

FOLLOWING IS AN INFORMAL TRANSLATION OF JULY 23 JORNAL DO
BRAASIL (RIO DE JANEIRO) EDITORIAL TITLED "SYMBOL IN ECLIPSE"
ABOUT WITHDRAWAL OF FREIGHT FINANCING BY EXIM BANK.

BEGIN TEXT: TWO DRASTIC MEASURES TAKEN LAST WEEK
ALMOST SIMULTANEOUSLY BY THE OFFICIAL AMERICAN BANK FOR
THE FINANCING OF EXPORTS AND IMPORTS (EXIM BANK) HAVE
BEEN ANNOUNCED. FIRST, EXIM BANK DENIED FINANCING TO AN
AMERICAN FIRM WISHING TO PRODUCE TURBINES FOR THE YACIRETA
POWER PROJECT, WHICH ARGENTINA AND PARAGUAY ARE DEVELOPING
JOINTLY NEAR ITAIPU ON THE PARANA RIVER. SECOND, IT
INCLUDED A STRANGE CLAUSE WITHIN THE
FINANCING CONTRACTS WITH AMERICAN FIRMS THAT WISH TO
EXPORT TO BRAZIL: THEY CAN'T TRANSPORT THEIR GOODS IN
BRAZILIAN SHIPS.

THE SUSPENSION OF FINANCING TO AN AMERICAN FIRM
WISHING TO SUPPLY THE YACIRETA POWER PROJECT WAS
JUSTIFIED BY THE ARGUMENT THAT HUMAN RIGHTS VIOLATIONS
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PAGE 02 BRASIL 05848 262054Z

HAVE BEEN COMMITTED BY ARGENTINA. AFTER JIMMY CARTER
ASSUMED OFFICE, THE AMERICANS HAVE INSISTED ON LINKING
LOANS OF THEIR OFFICIAL BANKS--AS IS THE CASE OF EXIM
BANK--AND OF INTERNATIONAL BANKS WHERE THEY TAKE PART--
SUCH AS THE WORLD BANK--TO RESPECT OF HUMAN RIGHTS.

CONCERNING THE BRAZILIAN CASE, THE JUSTIFICATION

RECALLS THE TIMES OF THE "BIG STICK" POLICY, WHEN THE AMERICANS CONSIDERED THEMSELVES THE "CONDOTTIERI" OF THIS PART OF THE WORLD: AMERICAN GOODS CANNOT BE SHIPPED TO BRAZIL IN BRAZILIAN SHIPS BECAUSE THE GOB RECENTLY HAMPERED THE USE OF A CERTAIN TYPE OF CONTAINER BY AN AMERICAN FIRM, FOR BEING INCONSISTENT WITH BRAZILIAN STANDARDS.

SO, WHILE IN ONE CASE THE BANK INVOKES HUMAN RIGHTS, IN THE OTHER CASE IT SHOWS DISRESPECT FOR THE MOST ELEMENTARY RULES OF COMMERCIAL LAW. IT IS REGRETABLE THAT A NATION WHICH PRACTICES A POLICY OF MARKET ECONOMY AND FREE INTERNATIONAL EXCHANGE USES SUCH A SUBALTERN EXPEDIENT IN SUPPORT OF A MINOR BUSINESS INTEREST.

THE AMERICANS ARE TAKING THE RISK OF IMPAIRING THE PRESTIGE OF THEIR HUMAN RIGHTS POLICY BY USING THE SAME REPRISAL AGAINST VIOLATIONS OF THE MOST NABLE SENTIMENTS OF DEMOCRATIC PEOPLES, IN SUPPORT OF THE SECONDARY INTERESTS OF A BUSINESS CORPORATION UNABLE TO PLACE IN THE BRAZILIAN MARKET A PRODUCT IT MAKES.

IT IS STRANGE THAT THE EXIM BANK STILL MAINTAINS THIS DISCRIMINATION AFTER THE AMERICAN FIRM, SITTING
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PAGE 03 BRASIL 05848 262054Z

AT A NEGOTIATING TABLE WITH OTHER SHIPPING COMPANIES THAT CARRY THE TRADE BETWEEN BRAZIL AND THE US, ARRIVED AT AN ACCORD LAST WEEK. IT MIGHT ALSO BE REMEMBERED THAT THE GOB, TWO YEARS AGO, AFTER JUSTIFIED COMPLAINTS BY AMERICAN SHIPPING COMPANIES, REVOKED A DECISION LINKING EXPORT INCENTIVES TO THE USE OF BRAZILIAN SHIPS.

IN THIS EPISODE, THE GOB HONORED THE PRINCIPLES OF FREE COMMERCE MUCH MORE THAN THE AMERICANS, WHO USED TO EXALT THE VIRTUES OF AN OPEN ECONOMY. END TEXT.
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